Traditionalism, Modernism, Utopianism: A Review of Recent Works on Transition in Croatia

VJERAN KATUNARIĆ*
Faculty of Humanities and Social Sciences, Zagreb

Summary

This paper provides a survey of recent works of social scientists and economists in Croatia, focusing on the authors’ way of interpreting normatively the model of social changes or transition in Croatia, i.e. on their reply to the question where that model resides or should reside: in the Croatian past, in EU countries or western countries in general, or in a different and better, but imaginary, future of Croatian and other economies and societies. Accordingly, the said works are divided into three different categories: traditionalism, modernism and utopianism.

Many theoretical (and ethical) differences notwithstanding, the authors in all three categories seem to incline towards a certain neostatism, that is, they expect of the (Croatian) state to initiate the solving of problems in various areas, from the knowledge society to health care and retirement policies. This stance is in part conditioned by the fact that most of the presented works appeared within the framework of research projects financed by the government, i.e. by the Ministry of Science.

The second characteristic of the presented works is the exuberance of modernism – whose model of change exists in Western European societies, with concepts ranging from the knowledge society to the European social model – in relation to the thinness of traditionalism and utopianism.

Finally, the third characteristic of the presented works, closely connected with the previous, is the growing confidence in the European Union, followed by a more reasonable outlook upon European reality. In contrast to the 1990s, when a good part of Croatian literature painted the image of Europe in historical colours, mostly romantic and Christian in content – in accordance with what Europe was once like, and what Croatia was like as a part of it (i.e. a part of its empires) – Europe is now, even more so in domestic social sciences,

* Vjeran Katunarić, professor of Sociology at the Department of Sociology at the Faculty of Humanities and Social Sciences in Zagreb.
presented in figures and other analytical categories. The European world currently resembles a huge space for the integration of markets, parliaments, and other arenas in which Croatia has to learn to buy or sell, to use politically correct language, or to do a culturally interesting performance, in order to survive in it.

**Key words:** Croatia, social sciences, transition, modernism, traditionalism, utopianism, Europe

**Mailing address:** Faculty of Humanities and Social Sciences, Ivana Lučića 3, HR 10000 Zagreb. 
E-mail: vjeran.katunaric@zg.htnet.hr

**Introduction**

This paper is in part a continuation of a survey of works of Croatian economists regarding the sociocultural prerequisites of transition in Croatia (Katunarić, 2004). This time, however, the review mostly covers works of social scientists (sociologists, political scientists, and some others)\(^1\) published in 2005 and 2006. Shifting the focus of analysis entails a change in the classification of works (the classification in the mentioned survey – neoliberal, neoinstitutional and relativist /“third way”/ works – is more adequate for the theory of economics). In the previous survey it has also been shown that in the works of social scientists in Croatia written until 2004, there are no supporters of the neoliberal paradigm, so these works were linked with the remaining two categories of works (i.e. neoinstitutionalism and relativism). Since such an approximation is insufficient for the purpose of this paper, the works presented here are categorized in another way, more adequate to social science theory. This time the classification criterion has been determined with regard to how the authors, while presenting their viewpoints,\(^2\) interpret normatively the model of social changes or transition in Croatia, i.e. with regard to their opinion on where the model resides or should reside: in the Croatian past – this corresponds to traditionalism (and euroscepticism);

\(^1\) In the previous article (Katunarić, 2004) it was the other way around: the works of economists were in the foreground, divided into three categories (according to theoretical and implicitly ideological orientations), while works in the field of sociology, political science and other social sciences were just summarised and compared to the economy-related works.

\(^2\) Suffice it to say that although there are many works about the topics mentioned, the authors do not present their own viewpoints on key issues of development, but let the examinees, the data or other authors speak instead. Consequently, these works have not been included in the analysis, the goal of which is to determine the authors’ mainly normative considerations on the topic they are writing about.
in EU countries or western countries in general – this corresponds to *modernism* (and *eurooptimism*)\(^3\); or in a different and better, but imaginary, future of Croatian and other economies and societies – this corresponds to *utopianism*.

**Traditionalism (and euroscepticism)**

The traditionalist conception throws doubt upon the existing social changes and prefers traditional values, religious or national, as the most reliable. However, it must be immediately pointed out that among the social scientists there is no open and consistent representation of such an understanding, probably due to the fact that it is usually unwelcome in these circles. Rather than that, implicit and pared-down traditionalist views are expressed in combination with modern ones. Such an example is the work of the theologian Baloban and the theologian and sociologist Črpić (2005) on social morality changes in Croatia. The authors register an increase of double standards, concluding that in private life, as opposed to the public expression of desirable social values, people do not adhere to moral norms. Instead of that, they become highly permissive – e.g. towards bribery, corruption and tax evasion. Ranking Croatia among the most traditional of Catholic societies, the authors see the cause of such moral hypocrisy in the religious sphere, in the sense of Stark’s thesis that “morality does not depend on ritual but on the relation towards God” (Baloban and Črpić, 2005:253). They also remark that ethical standards are not followed by legal provisions, so that there is no “punishment for socially unacceptable behaviour”. As long as this is the case, they say, the prevailing permissiveness will keep on leading to anomy, i.e. to moral wilderness.

In a similar way, Črpić, Bišćan and Aračić observe the moral disorder regarding the issue of woman’s emancipation in Croatian society, i.e. of whether or not one should support the independence of women under any condition, or else the fact that a child primarily needs its mother. The authors advocate a public revalorisation of motherhood (which includes the demand for financial support for jobs performed at home by the mother and housewife) (Črpić, Bišćan and Aračić, 2005). Even this work does not contain a purely traditionalist or conservative understanding of change, but is updated, adapted, and is, in a certain sense, neoconservative: it demands that the old values be adjusted to the contemporary age. In a way, tradition should be reinvented, since the old traditional society is characterised by double standards based upon the unrewarded work of women in the home: in the newly

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\(^3\) In such a categorisation of works, Kalanj’s article devoted to interpretations of identity in Croatian academic and related literature was rather helpful (Kalanj, 2005). For more on Kalanj’s article see below.
invented tradition, the use of sanctions against immoral behaviour could help in establishing a universal morality, while paying for the work of women in the home would encourage them to freely choose the role of mothers within an otherwise patriarchal pattern of roles (according to which the man mostly works out of the home).

In his book *Under the Global Umbrella* (2004), political scientist Milardović portrays Croatia as a victim in the hands of global players (primarily the MMF and the World Bank), a situation contributed to by the local “dependent non-transformed elites”, as he calls them, that want to sell out the country (in a “clearance privatisation”). He even states that the elites, which mostly consist of “former socialist directors, representatives of Croatian firms abroad and technocrats of the party of the Croatian Democratic Union”, have made use of the war period in Croatia in order to “legalise the robbery of the century” (Milardović, 2004: 251). As far as the accession of Croatia to the EU and NATO is concerned, the author has a similar attitude, deeming that it is an act of confirming servitude and the colonial status of the country towards the West, since it did not “take into account the necessity of organising one’s own house according to one’s own needs... and then join whatever association should be joined” (Milardović, 2004: 281). It is to be supposed that the author has the vision of an (independent) Croatian economy in the categories of 19th century national economies, which would be in accordance with political independence and attributed national cultural identity, since he does not see a happy future for Croatia in any association with other countries, including various initiatives for Balkan (Southeastern-European) associations. As opposed to that, Croatia could, for some (uncertain) time, be all alone in order to gain strength. This also ensues from Milardović’s considerations of the possible four scenarios of the Croatian future (until the year 2015), of which the fourth presupposes that Croatia will not enter the EU, nor any Southeastern-European association, and “should therefore consider an alternative scenario of neutrality...i.e.... reflect on the concept of self-reinforcement and self-preservation and of relying on all creative forces of society” (Milardović, 2004: 286). Evidently, the latter scenario is the most inspirational for the author, because the first three put Croatia in an inferior position with regard to the European Union and the rest of the world. Does this mean that one should step into the 21st century from the 19th century?

A similar problem arises with Eurosceptics among the authors inclined towards utopianism, which will be dealt with later (cf. Kulić, 2004), when the outline of the territorial framework of the desired economic and social transformation is discussed. Many questions have not been answered here either. For instance: Can Croatia have a better future alone or does it have to enter associations with others (again)? And which others?
Modernism (and Eurooptimism)

Works of this kind, most of which have been published in recent years, postulate the modernisation of Croatian society encompassing the fields of culture, economy and politics, and modeled upon contemporary western societies, primarily those of Western Europe. In addition, there is Eurooptimism, the understanding that accession to the European Union is ultimately the right choice for Croatia. With regard to the topic, three groups of works will be discussed: the sociocultural, speaking of values, value changes, collective identities and the contemporary role of knowledge; the socioeconomic, with topics ranging from entrepreneurial management to the labour market within the context of transition; and the sociopolitical, which deal with the attitudes of different parts of the Croatian population regarding the issues of democracy, political and other public institutions, accession of Croatia to the European Union, decentralisation of the state, and social policy.

Sociocultural modernism

Some of the works with the sociocultural topic present a bridge of sorts from traditionalism towards modernism. These works deem traditional values and collective identities to be important strongholds in the process of modernisation. The contributions of the political scientist Ramet and sociologist Matić in the collection Democratic Transition in Croatia (Ramet and Matić, 2006) exemplify the synthesis of traditional and modern. In addition to supporting the affirmation of values and institutions of liberal democracy in Croatia, the authors propose a revision of the importance of national identity. Thus Ramet thinks that the distinction (created by Tamir) between “exclusive” and “liberal nationalism” is useful for understanding the possible democratic image of Croatian nationalism (Ramet, 2006: 26-29). In this respect, Matić is more explicit and distinct. She reveals the “bright side” of Croatian nationalism, compatible to liberal democracy, which has lived (survived) in a long historical curve: from the second half of the 19th century (and Croatian politicians Vukotinović and Starčević) until the present (Matić, 2006). Also, nationalism has become a necessary form of collective identification, since it has formulated the foundations of social solidarity based on the remains of the old (communist) form of solidarity. For the author, the national is nothing but “a stage where modern democracy is being played” (Matić, 2006: 282). And on this same stage the nature of nationalism has been changing. In Croatia, currently, nationalism is “predominantly inclusive, democratic and open towards other nations” and “...it supports the integration of Croatia into Europe” (Matić, 2006: 284). Roughly the same observations, if not personal preferences, have been expressed by Höpken on the example of history textbooks in Croatian schools. Comparing them to history textbooks in countries of former Eastern Europe, the author observes
a common evolution from the explicitly nationalist historical narration in the first phase (after the fall of communism) to the now muted, “modernised” nationalism of historical narration (mentioning the fact that the most non-biased history textbook in Croatia in 2002, the one covering the 20th century and intended for the 8th grade of elementary school, was used by about 35% of the teachers, while 15% of them used a more ethnocentrically written textbook /Höpkin, 2006: 167/).

The fact that, in Croatia, national attachment and the acceptance of the country’s accession to the EU mostly coincide, and that the “broadening of identity space” is under way, has been confirmed by a number of researchers (Sekulic and Sporer, 2005; Radin, 2005, Ilišin and Mendeš, 2005). However, national identification, as is the case in other European countries, prevails over European, and cosmopolitan, identification (Radin /2006: 184ff.).

The sociologist Banovac also discusses levels of collective identity in some areas of Croatia (2004; see also Banovac, Blažević, Boneta, 2004). Researching the identity of the population of three regions – Istra, Gorski Kotar and Lika – Banovac finds that regional identity is most strongly expressed in Istra, local identity in Gorski Kotar, and national identity in Lika (where the severest consequences of the latest war in Croatia are still felt). Cosmopolitanism is less expressed everywhere, while attachment to Europe in Istria is twice as strong as that in Lika. Banovac also examined the perception of the population with regard to the functioning of institutions. According to the examinees’ from all three regions, the three institutions which function best are the church, the military and education, while the least functional three are the judiciary, the economy and state administration (Banovac, 2004: 106). Finally, the author also examined the social (ethnic) distance and determined that it was the smallest in Istra, because it is the most modern Croatian region (on the periphery). On the other hand, the social distance in Lika is the biggest, especially towards the Romanies and the Albanians (followed by Montenegrins, Slovenes and Serbs) (Banovac, 2004: 108). He draws the conclusion that modernisation diminishes the importance of national identity in favour of regional identity, leads to a greater inclination towards decentralised power, and reduces social distance, of which Istria is a fine example.

In his analysis of the academic and related literature discussing Croatian identity, sociologist Kalanj starts by making a theoretical distinction between the liberal (atomist, egocentric) and the communitarian (holistic, collectivist, organic) understanding of identity (Kalanj, 2005: 53-60). In the case of Croatian intellectuals, he finds only different nuances of the latter, i.e., an attachment to Croatia as a national collectivity. Thus he differentiates the “cultural-essentialist”, “political-differentialist” and “expressive-designer” concepts of identity. In the first case, culture (its most important value being
language) is conceived as a decisive source of the community’s survival in Croatia’s most difficult moments. Secondly, in the political-differentialist variant of communitarism, boundaries towards others (especially towards the south-eastern neighbours) are drawn by proving that Croatia is a (Central-)European country. Finally, the expressive-designer discourse of communitarism requires a stylisation of a modern image of Croatia instead of the historical one, which would enable it to attain the best possible position on the international business and tourist markets. With regard to this attempt at modernisation of national identity, Kalanj concludes, drawing on Castells’ typology of identity, that “after playing its legitimising and resistential roles, identity... is now considered in a projective-communitarian perspective” (Kalanj, 2005:70).

The book by political scientist Skoko *Croatia / Identity, Image and Promotion/* (Skoko, 2004) has been written in the same perspective. The author departs from the observation, shared by most experts, that the image of Croatia in the world is either nonexistent or negative. The negative stereotypes about Croatia date from the first half of the 1990s and the war; according to the author, insufficient information reaching the international community about the real war situation on the one hand, and Serbian propaganda on the other, were the key factors (Skoko, 2004: 207-209). The author suggests that, in order to spread a positive image of, itself, Croatia should draw on the example of countries which have done a great deal in nurturing and promoting their image, such as the USA, the Republic of Ireland, Great Britain, Norway, the Netherlands, Spain, Italy, Mexico, China and Japan. He thus proposes an array of modern marketing measures in shaping “the new Croatian identity”, whereas associations linking Croatia with war events should definitely be eliminated in favour of developing a suggestive image of Croatia as a country of numerous Adriatic islands and other natural beauty, healthy water and air, and rich culinary tradition (Skoko, 2004: 403-406).

In discussions on Croatia’s future, knowledge is increasingly treated as a first-class (economic) resource, rather than a value in itself. According to a number of authors in the collection *Transition Countries in the Knowledge Society* (Švarc et al., 2004), knowledge can help Croatia move to a higher level of development. The book addresses the issue of development and use of knowledge not only theoretically and empirically, but also normatively. On the normative level, there are recommendations for further development,

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4 Works on the *society of knowledge* have been included into the topic of sociocultural instead of socioeconomic modernism, because almost all of the authors, as can be seen, speak of the transition into the *society of knowledge* as a mental rather than a technical, economic or institutional issue. Thus changes in habits, values, and ways of thinking should be stimulated primarily in members of the political elite (see especially in Švarc, 2006).
wherein some authors show an uncompromised, hardcore modernism, based on a vision of close cooperation between the government, business enterprises and university, i.e. scientific institutions (the so-called triple helix model – for more see Etzkowitz, 2004). Thus Šporer, among her recommendations, proposes that: “The government should aim to facilitate such stimulative policy for business enterprises and R&D to promote closer relationship, commercialisation of knowledge and entrepreneurial behaviour” (Šporer, 2004: 160). However, this situation has yet to be achieved. According to sociologists Švarc and Lažnjak (quoting Županov’s viewpoint), the Croatian society is still half-modern (affected by processes of re-traditionalisation, de-industrialisation and de-scientisation), and its elites do not value knowledge and innovation highly. In spite of this, the authors see the triple helix as a tool which can activate knowledge and innovation as the main force of development (Švarc, Lažnjak, 2004: 191). Additional suggestions with the purpose of building a national innovation system are given by economist Andrijević-Matovac. According to her, it is important to simplify the legal procedure for protecting intellectual property; eliminate bureaucratic obstacles to the development of business enterprise; additionally educate innovators to help transform their good ideas into adequate and commercially cost-effective technology; and, finally, stimulate the development of enterprises aiming at growth of products, conquering new markets and improving the quality of new products. The most prominent measure that should be undertaken to realise such a policy is cooperation between the university and business enterprises (Andrijević-Matovac, 2004: 214-215). More specifically, another economist, Radas, in her study on the relationship between science and industry (from a firm’s point of view), finds that the most important predictor of cooperation, of satisfaction with this cooperation and of its commercial results lies in innovation and the firm’s technological capacity. Firms that devote the greatest attention to innovation and technology are also most interested in cooperating with scientific researchers. However, she warns policy-makers not to put cooperation into the framework of rules and other legal mechanisms intended for businesses, because such a (bureaucratic) approach does not seriously affect the intensity of cooperation between firms and researchers (Radas, 2004: 284-285).

One of the reasons why knowledge is de-commercialised in Croatia, as sociologists Prpić and Vuković point out in their collection Knowledge elites in a Society of Ignorance (Prpić, 2005), is that “the formerly weak R & D sector of the economy, first and foremost the industrial institutes, have been

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\(^{5}\) It is interesting to note the concern expressed by Čatić, professor at the Faculty of Mechanical and Naval Engineering, University of Zagreb, who, quoting Tony Blaire’s statement of August 2006, says that the triple helix is “one of the most catastrophic trends”, because it makes university professors less interested in teaching and makes them spend more time on gathering money for research projects (Čatić, 2006).
greatly... reduced. There are many other reasons for the reduced scope of market research. The most important is the reduction of economic power, of the economy’s motivation to order applied research, and of the interests of non-economic institutions and government bodies to order policy-oriented research. Thus in Croatia one cannot speak of a society of knowledge and economy based on knowledge...” (Prpić & Vuković, 2005: 43). This study discusses the research system from the point of view of the researcher, concluding that the existing science- and technology policy in Croatia is one-sided in the sense that it does not involve “other protagonists – public and private financiers of scientific research and potential users of scientific findings – /which/ the creators of science policy will not, must not, cannot, or do not know how to influence” (Prpić & Vuković, 2005: 88). In other words, for the triple helix model to be realized, actions need to start from the government.

In examining the relationship between industry and science from the viewpoint of research institutions in Croatia, economists Radas and Vehovec find encouraging the “high level of goodwill among scientists” (Radas, Vehovec, 2006: 364). For scientists, the main motives of (desirable) cooperation with industry are intellectual challenge and extra profit. The authors have thus broken the stereotype of academic science as an ivory tower. However, most examined scientists deem that the initiative for cooperation should come from the industry, a somewhat lesser number think that the initiative should come from science, while only a few expect that from the government (Radas, Vehovec, 2006: 365). Yet the authors find that the existing technological capability and innovative orientation of Croatian industry are insufficient to open it up towards science. On the other hand, the Croatian scientific community does not seem to be strong enough to perform a new technological breakthrough (Radas, Vehovec, 2006: 365-366). Where then can positive change come from? The authors pin most of their hopes on innovative policy (so, if understood clearly, again on the government), which would encourage the strengthening of both the industrial and the scientific communities (this coincides greatly with the above-mentioned conclusion of Prpić and Brajdić). Are we to conclude that adequate government policy is Croatia’s missing link for becoming part of the global knowledge society? Švarc answers the question affirmatively and points out that awarding great attention to the government is also justifiable theoretically, from the standpoint of the evolutionary-institutional approach (in contrast to the neoclassicist approach, which draws on market spontaneity and the “science-push” model of innovation). Generally speaking, “economic growth is constructed through intentional and responsible human action” (Švarc, 2006: 323). Such is the case with knowledge economy: an adequate institutional surrounding can help a country with limited R&I resources to advance quickly, like, for example, Japan or Finland. The role of the government as “prime promoter”
of change is especially important in less developed countries. In the Croatian case, however, a standard neoclassical development model is under way, with technology as an exogenous variable and a dated division into separate science, technology and industry policies (Švarc, 2006: 332). The author concludes that, in Croatia, changes in the direction of a knowledge society are primarily a matter of “political learning”. The political elite must absorb new theories and models of management, develop its own national innovation system (based on the example of Finland), and abandon the scientific and economic system which dates back to the first half of the 20th century (Švarc, 2006: 337).

In their article about knowledge, institutions and innovations, economists Bartlett and Čučković (2006) compare the cases of Slovenia and Croatia, finding that the policies to support technology parks and business incubators have failed to generate much spin-off activity in either country. Nevertheless, Slovenia has been more successful in these attempts (especially in the development of technology networks and innovation clusters within the university and research institutes, and in supporting the mobility of young researchers). Consequently, the authors suggest that Croatia should draw on the Slovene experience and, similarly to Šporer’s recommendation, nurture a greater openness of university and scientific institutions towards business enterprises, in order to facilitate the exchange of knowledge and create mutual confidence. This would enable it to evade market failure emerging from the very nature of information used as commodity, which cannot be protected from contact (participants) beyond the investors’ control (Bartlett, Čučković, 2006: 372, 393-394).

Socioeconomic modernism

The great majority of socioeconomic works in this period are noticeably dissociated from the laissez faire understanding of relationships between the economy and society, and aim at a multidimensional and co-deterministic understanding of this relationship. Thus, sociologist Čengić (2005), as well as economist and sociologist Poljanec-Borić (2005), start from Porter’s model of (five) competitive strategies (on the market), which are indeed focused on market prevalence, but in the spirit of fair-play towards competitors and in an attempt to win over the consumers’ trust. As far as the Croatian transitional context is concerned, one of the most important questions is the following: what is the “modernisation potential” of business managers with regard to internal management and the relationship towards the market, the workers, the societal environment and the local community. Čengić, obviously interested in the development of efficient, expansive but also socially responsible management, finds that Croatian managers are more oriented towards the domestic market, while in the future, according to their own re-
marks, they intend to conquer foreign markets. They are now divided between the strategy of investment and acquisition, on the one hand, and lowering the costs at the expense of employment and business, on the other. However, as examinees in Čengić’s study, they announce that in the future they will primarily resort to the first strategy, including the acquisition of capable new managers and experts (Čengić, 2005: 78). For Borić, however, private entrepreneurs – mostly from small and middle enterprises – represent a positive element of the social structure, a new middle class, “fulfilling the void which was a result of the dwindling middle class that grew on the foundations of redistributive economy” (Borić, 2005: 122). The economist Franičević partly disagrees, arguing that small enterprises have a controversial influence on economic growth: they are characterised by a high rate of opening, but also of closing down new work posts, i.e. by the destruction of enterprises (Franičević, 2005: 201). Moreover, few of the new/small enterprises register any growth or aspire towards it. Thus the most important thing, as the author concludes, is a rational government policy towards business enterprises, creating a “contingent and localised process” of interaction between the government and entrepreneur built into the institutions, social capital and local knowledge. In other words, “intelligent reformers” are needed, who know how to reach the entrepreneurs expected to greatly contribute to economic growth (Franičević, 2005: 204). Finally, in the opinion of economist Družić, the government’s economic policy should focus on exporting companies, “because with no growth of export, there can be no sustainable growth of production and employment, and no stability of Croatian economy” (Družić, 2005: 254).

The second mainstay of transitional economy consists of the sphere of work, i.e. employment and the labour market. Having analysed the institutions of the labour market – Labour Law, activities of the labour unions, collective negotiations, and tripartite social dialogue – and the effects of labour market policies, economists Račić, Babić and Podrug (2005) find that the labour market in Croatia is deeply segmented. It is divided into three categories: the first comprises employees in the public sector and in big and advanced companies, who are by and large members of trade unions, who work in good conditions, and are relatively well legally protected. The second category, with the strongest tendency of growth, includes employees working in smaller companies, whose rights are often violated, and who have lower qualifications and a generally weaker position on the labour market. Here trade unions are not efficient and are not welcomed by the employers. The third category consists of a great number of unemployed people, especially those unemployed for longer periods, who have small chances of ensuring any job within the official economy. The authors conclude that Croatia will follow the pattern currently under debate in different European countries, which involves further liberalisation of work on contract modali-
ties, decentralisation of collective negotiation, and an increase of active labour market policies (focusing on growth of employment and the salaries of those who are most exposed to the risks of unemployment and poverty). They also recommend a development of greater trust among social partners; social dialogue, which is especially important for employees in smaller companies; and the use of labour market policies for improvement of their qualifications and skills, including incentives to actively search for work.

Psychologists Maslić Seršić, Šverko and Galić (2005) examined the attitudes of Croatian employees towards their jobs in two periods, in 1993-1997, when a strong economic recession was under way, and in 2000-2004, during a period of gradual recovery. In the second period, there was an increase in general satisfaction with their jobs, which is an indirect indicator of the reduction of the economic crisis. The importance of the security-related aspects of work (which have been negatively affected by the growth of unemployment) has also increased, as well as the importance of working with agreeable co-workers and of participation in decision-making. However, the satisfaction of employees in the private sector with their jobs has increased less than that of employees in the public sector (which reflects the situation in the segmented labour market described in the above-mentioned article by Račić, Babić and Podruga). In the end, the authors express their opinion on transition, arguing that restructuring the economy and transforming society should not be goals in and of themselves, but a means of improving the individual lives of people (Maslić Seršić, Šverko, Galić 2005: 1050-1051).

The following works of economists seem to reflect the institutional position of their authors. Thus Bilić (2005), an economist from the Croatian Employers’ Association, while discussing the state of agriculture and peasantry in Croatia (whose citizens spend twice as much on food as EU citizens) with regard to the prospects of the country’s accession to the European Union, suggests that this part of the economy should be exposed to open international market competition. He believes that in such a laissez-faire environment, agricultural enterprises will be the first to adapt – if they reduce the number of employees to a rational measure. As regards the individual peasants-producers and cooperatives, which are less efficient and productive (in comparison to the EU average) than enterprises, Bilić suggests that the government’s policies should support the expansion of individual farms and, accordingly, increase employment in rural areas (Bilić, 2005: 127). As opposed to Bilić, Božić and Sever-Koren from the Ministry of Agriculture and Gelo from the Croatian Chamber of Commerce (Božić, Gelo, Sever-Koren, 2005), who are all economists at the level of government, take into consideration not only the economic, but also the non-economic functions of rural farming and the rural environment. Thus, in addition to tasks concerning the standardisation of prices of domestic and imported products; further privatisation of government land; ensurance of government subsidies for agricul-
ture; creation of different programmes for big and small producers; and protection of consumers – they point out that it is just as important to ensure the development of rural infrastructure, to care about environmental protection, and to promote traditional cultural values of Croatian rural areas (Božić, Gelo, Sever-Koren, 2005: 149-150).

Mihaljek, senior economist at the Swiss Bank for International Settlements, well-known among Croatian economists as a supporter of liberalisation, possibly does not reflect the opinion of the institution he works in (actually, he confirms this explicitly in the footnote at the beginning of his article). However, the way in which he infers from comparisons of economic development in different countries the best options for those who are lagging behind in the transition process, including Croatia, ranks him among the few Croatian economists who support neoliberal economic recipes. In the said article, Mihaljek (2005) examines the various initial positions of new member countries of the EU, EU candidates and countries of South-Eastern Europe – in contrast with the less affluent member countries of the EU from the European South (Greece, Italy, Portugal and Spain). In his own calculations he has established, among other things, that Croatia belongs to the advanced stage as far as company reform, financial institutions (it should be mentioned that almost all banks are of foreign capital) and infrastructure are concerned, and that market and legislation reforms are still at an early stage in comparison to the situation in new member countries of the EU. He also remarks that a 60% share of the private sector in the GDP ranks Croatia among the most underdeveloped countries in Europe (Mihaljek, 2005: 984). Nevertheless, Mihaljek thinks that it will be relatively easily for Croatia to increase the share of the private sector. He is also optimistic when discussing other economic data equally unfavourable for Croatia (and countries in a similar position); for instance, the assessment of time needed for underdeveloped countries to catch up with the advanced ones to a benchmark of at least 75%. Although his initial assessments mention a period of 25 or even 55 years for attaining the said share, Mihaljek ultimately modifies his estimations and concludes that “the period of convergence could in effect be shorter than what is suggested by the above calculations” (Mihaljek, 2005: 993).

Finally, in a line of economists who published their works in recent years, special attention should be devoted to Vojnić, former director of the Institute of Economics in Zagreb, and his long article on general dilemmas concerning market economy (Vojnić, 2005; an entire issue of the journal Ekonomski pregled was devoted to Vojnić on behalf of his 80th birthday). In fact, the author submits a retrospective of three eras of economic thought and practice – the affluent society of the West (until the 1970s), Eastern socialism (until 1990) and the current neoliberalism in the West and in the new transitional countries. He also outlines his role as researcher in the Institute
of Economics during the last two periods. Vojnić positions himself, and most of the Institute, among the reformists who were always somewhere between the economic devil and the deep blue sea, i.e. between market fundamentalism on the one hand, and anti-market dogmatism on the other. First they suggested reforms in the direction of market socialism, then reforms to alleviate the ruthless application of the principles of free market economy, but in both cases the political elites rejected their proposals. Nowadays, Vojnić refers to his position as “sustainable development economy”. Simply put, he supports the balancing of usually mutually exclusive imperatives, namely, economic efficiency (achieved by market activity) and social solidarity (achieved, among other things, by government intervention on the market). Although both neoliberalism with its understanding of the free market (which makes the wealthy wealthier, and the poor poorer) and state socialism (with its planned economy) were damaging to the country’s development, Vojnić still considers the former to have been less harmful. He concludes by stating that the market brings salvation – if the negative effects are removed, and the positive effects developed. According to Vojnić, the previous eras came closer to this balance than the current one. He reiterates that “contemporary capitalism neither developed nor maintained under the invisible hand of Adam Smith, but much more under the influence of the visible hand of John Maynard Keynes” (Vojnić, 2005: 339). Similar qualities of “sustainable development” were as much an integral part of the former affluent society in the West as they were characteristic of self-management in former Yugoslavia, which was well on its way towards becoming a system of mixed, planned-market economy, convergent with the Western type. However, nationalism and war interrupted this development (Vojnić, 2005: 334ff.), and subsequently, the acceptance of the neoliberal doctrine did great damage to transitional economies, including Croatia (Vojnić, 2005: 340).

For sociologist Hodžić, on the other hand, both modernisations – the socialist and the bourgeois-capitalist – took place far from the rural areas. In his book *Countryside as a choice?* (Hodžić, 2006), he asserts that the Croatian countryside was not modeled according to demands of the centralist socialist system, nor was it (until now) exposed to the open market race, but has mostly lived according to its own, rather self-sufficient economic logic. In the meantime, the social structure of the rural population has changed, so that no less than one third of the youngest generation does not take part in agricultural production, and has acquired the secondary or university level of education. According to Hodžić, this indicates a new secular trend: while the classic industrial modernisation made rural areas mono-functional (an agricultural and raw-materials foundation with a mass of poorly educated inhabitants), “the contemporary rural areas in developed countries of the West… are in the process of their own self-actualisation and self-justification. The countryside, as a place of residence and of work, is becoming at-
tractive to people of higher aspirations as well... a social community with diverse sectors of both production and service. This new phase in the development of the rural in the West is called by B. Kayser the ‘recomposition of the countryside’” (Hodžić, 2006: 130). In the fact that, in rural Croatia, every third inhabitant takes part in some non-manual form of work, the author finds a sign of the recomposition of the rural area, which brings about the disappearance of the classic antagonistic relationship and of unequal exchange between the city and the countryside, when people lived in the cities mostly of their own choice, and in the countryside out of necessity, i.e. due to a lack of freedom.

According to the same author, another socioeconomic process includes Croatia in contemporary western and global trends, namely, the “flexibilisation of labour” with all its consequences (Hodžić, 2005a; 2005b). Adhering to Castells’ conceptual and explanatory framework, Hodžić finds that the flexibilisation of labour polarises the contemporary Croatian society in four ways. First, there is a polarisation between the permanently and temporarily employed; secondly, between the employed who are highly educated (“self-programmed”) and those who have a low level of education (“generic” labour); thirdly, between big organizations and the growing number of small ones (with few employees); and, fourthly, between those employed in the public and private sectors. Furthermore, it seems that the boundary dividing the employed and unemployed is disappearing, which is one important consequence of the flexibilisation of labour. The other consequence has to do with a dramatic decline of the trade unions’ negotiating power. However, the author does not see any other development perspective, but places the existing process of change within the context of the new wave of socioeconomic modernisation in accordance with the logic of information society.

Sociopolitical modernism

In the last few years, the number of published works covering the topic of political transition was smaller than in the previous period, which is why only four works will be presented here.

The first and most significant is the collection Croatia’s Youth and European Integration, in which the authors thoroughly analyse the attitude of young people towards Europe and the political values of democracy. The authors openly declare their own modernist pro-European orientation, and recommend it as one of the most important foundations for establishing a policy towards the young generation in Croatia. Although the analysis of empirical data shows, among other things, that young people in Croatia are less socially sensitive than the older generation (due to socialisation in a new environment which has no regard for social losers), and less susceptible to
democratic values (but are also less inclined to a harmonious understanding of politics), and, finally, less inclined to believe in the mobilisational effect of democratic education, voluntary work and political parties – political scientist Ilišin concludes that “on its way to the European Union Croatia needs to activate all its social resources, and also the potential of its youth, as the most vital segment of society and one that is most open to changes” (Ilišin, 2005: 136). The author also presupposes – based on empirical findings indicating a high degree of acceptance of liberal-democratic principles among both older and younger people – that the Croatian society has emerged from a period of (transitional) anomy and that it is increasingly accepting the liberal-democratic order, although the political process is not developing in a linear fashion (Ilišin, 2005: 133). However, the main direction of change seems to be irreversible.

As regards the relationship of young people towards the process of European integration, there are two tendencies. Firstly, young people perceive themselves, and are perceived by older people, as potentially the biggest beneficiaries of this process. Secondly, young people express their pro-European orientation more than older people. Therefore, as observed by Ilišin and Mendeš, a possible stagnation of this process would mostly affect young people, who are the greatest reservoir of Euro-optimism in Croatia (Ilišin, Mendeš, 2005: 250).

According to the analysis of sociologist Čulig (2005), who focused on attitudes of the Croatian population (on a random representative sample) concerning some twenty questions pertaining to politics and socioeconomic development in Croatia and its international position, inhabitants-examinees can be divided into four groups: developmental pessimists, developmental optimists, social egalitarians and those who express confidence in Croatian culture and institutions of (civil) society. Those in the first group, which is quite numerous, state, for example, that Croatia will not reach the standard of living of the EU countries for decades to come, and that its science and technology are underdeveloped, its international reputation and influence poor, and the degree of its democratic development very low. As opposed to that, optimists report that Croatia will soon become a developed country, that the economic crisis has ended and that rapid development will follow, that Croatia has very good relations with its neighbours, and that human rights and freedoms are respected to a great extent. In contrast to optimists, the social egalitarians, in their pessimism, think that Croatia is a society of

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6 The results of this analysis were not given in percentages, but through factor analysis according to the multiple regression method. Thus the following groups are factor groups describing different contents of the examinees’ attitudes. Sometimes examinees express contradictory attitudes, so that, in the end, the factor analysis can differentiate or distribute the answers according to consistent groups of meanings.
huge social inequalities (with a rich minority and a poor and deprived majority), that the workers are especially underprivileged and left at the mercy of their employers, and that all values are upset and the difference between good and evil nonexistent. Finally, the confident ones believe that the achievements of Croatian culture and art are at the highest international level, that national minorities have greater rights than anywhere else in the world, and that, in most cases, the Croatian media inform the public truthfully and objectively. With regard to the outlined variety of options and their statistical independence, the author concludes that “the state of political consensus will not at all be easy to attain” and that “potential participants in the solving of these social problems have a very difficult task to perform: they must find a “common denominator” of truly incompatible contents in the arena of political interests” (Čulig, 2005: 233).

One of the crucial questions of domestic politics in Croatia, which is not discussed in Čulig’s study, is decentralisation. In 2001 several laws were passed in Croatia with the aim of reducing centralisation, but with inadequate results to date. The article by lawyer Rogić Lugarić (2005) attempts to explain why it is so and what can be done in this respect. She stresses that so far only 6-9% of the government budget have been decentralised instead of the planned 20-25%. In her opinion, the reason for this is the traditional understanding of development as a force that comes “from above”, while in contemporary development local units are self-initiators of development (development “from below”). In addition, the legislation which supports decentralisation has no backing in the development strategy (national and regional) and local institutions are underdeveloped. Consequently, important issues such as quality of staff, relationship between the local authorities and local population, and local development agencies have not yet been resolved. With regard to most of the mentioned aspects of decentralization, the author takes Austria as a model-country (Rogić Lugarić, 2005: 1191-1192).

The last in a line of works written in the spirit of sociopolitical modernism is the work of sociologist Puljiz (2004), who writes on different eras of social rights and social policy in Croatia, from the Middle Ages to contemporary globalisation. He argues that today social rights are a matter of great dispute, especially under the influence of globalisation and the pressure to reduce social costs and to “economise society” (Puljiz, 2004: 5). In the new Croatian state, social rights have gone through two periods. In the first period, from 1991 to 1995, when, due to war, Croatia had about 700 thousand displaced persons and refugees, war solidarity prevailed. About 80% of those people were accommodated with family or friends, and the others were provided for by the government and various charity organisations. “In such an atmosphere”, says Puljiz, “/solutions to/ other problems... were postponed for better times” (Puljiz, 2004: 12). Apart from war victims, the following period (from 1996 to 2000), i.e. the post-war period, produced two
other categories of the misfortunate: the unemployed and the retired. In this
period a comodification of social rights was advocated (the care for social
security was transferred from the state to the citizens), while the retirement
system was divided in three pillars: inter-generational solidarity (the part
paid by the employer), individual capitalised saving, and voluntary retire-
ment saving. In the third period, from 2000 to 2003, “changes in the legisla-
ture decreased the level of social security as well as the cost of labour, which
international financial institutions and employers insisted upon” (Puljiz,
2004: 16). The author concludes that the future of social rights in Croatia is
mostly determined by the trend of gradual comodification (privatisation) of
social rights. Other trends are rather a matter of wishes than real trends, al-
though, according to the author, they could co-determine the social future of
Croatia. These trends are: first, the establishment of the basic social-protec-
tion network for all citizens (the principal national standards regarding re-
tirement, health care, family rights, children etc.), and, second, the inclusion
of marginalised people into the world of labour and social life. Conse-
quently, as Puljiz points out, it is essential for Croatian social policy to fol-
low the European social model, which means that it must avoid the negative
effects of the neoliberal model, which considerably decreases solidarity and

**Utopianism**

Included in this category are several works which, for the purpose of
evaluating the current Croatian situation, accept neither the comparatively
more developed societies and economies (modernism), nor some version of
the Croatian past (traditionalism), but postulate a model of an unrealized and
more humane form of society, both Croatian and European (and global). The
most obvious example of such a conception is provided by the book of the
economist Kulić entitled *Neoliberalism as Social Darwinism* (Kulić, 2004).
The author considers Croatian economy to be the victim of an expansion of
neoliberal economy, or, as the author also calls it, “quarterly capitalism” and
“casino economy”, a system in which the economically stronger ruthlessly
destroy the economically weaker. The greatest problem, however, is that
Croatia, in the author's view, has no proper answer to the neoliberal chal-
lenge, and its government “does not have a clear conception of managing re-

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7 The term “utopianism” is used here in a neutral sense with regard to value, as a theoretical
standpoint equal to others, which maintains that existing societies, both developed and devel-
oping, have not yet unfolded the important, mostly social and moral, potential of the people.

8 It should be pointed out that the works in this category are neither numerous nor well ac-
cepted in the circle of economists, sociologists or political scientists, among whom, after all,
modernists predominate.
sources and capacities for social production” (Kulič, 2004: 155). Instead of that, “the government depends on the trade orientation, on the import of every-thing… By abandoning domestic production and export, circumstances were created for the development of a casino-economy, an economy based on the redistribution of everything valuable through… the process of privatisation of social wealth… The players of casino-economy, in cooperation with the players belonging to political clusters, bank clusters, trade clusters, succeeded in buying property shares in devaluated and consolidated banks for small amounts of money (7.2 billion dollars), which enabled them to collect profit by forcefully taking over the Croatian market, and open chain stores by investing small amounts of money into prefabricated buildings and employing a low-cost workforce to sell imported goods… (Thus) the share-holders managed to avoid investing in production, because extracting profit based on buying property shares… ensures a very high profit, which is then moved abroad” (Kulič, 2004: 156). The purpose of the domestic country is to serve foreign capital, “which is in contradiction with the interests of do-mestic entrepreneurs, employees and people” (Kulič, 2004: 158). In addition to such a critically devised image of Croatia and the global economy, Kulič puts forward a picture of human individuality, emotional life and intelligence conquered by the damaging economy with its tools of brainwashing and violence, making use of the media and military means, and turning man into an obedient machine. The only way out of this planetary mechanism of domination, as Kulič sees it, is planetary as well, although (at certain moments in his book) it also seems to be possible in the form of a national fight for survival in the global economic storm. In any case, the author moves his strategic discourse on to a meta-economic level, calling for an effort to over-come the fundamental anthropological gap between sensitivity and intelligence, in favour of a unique “morally sensitised” and “emotionally intelligent” human species, and of intelligence creating syntheses (capitalism, as the author adds, favours “partial intelligence” for the purpose of efficiently destroying nature, society and the material conditions for the survival of most of humanity) (Kulić, 2004: 228ff.)

The utopian attitude towards a desirable future of the economy is also evident in the article of economist and psychologist Bogdanović on the topic of economic democracy in Croatia. The author thinks that rapid economic growth can be attained by introducing self-management or taking part in de-cision-making to create profit etc., thus making the whole economic system democratic. In this sense, according to Bogdanović, management would also have to abandon its technocracy and accept philanthropy as its main orientation, as well as learn how to motivate people for solidarity and cooperation. The author believes that such an earning ethos and work environment have already become an integral part of the economies of Western Europe which Croatia aspires to emulate (Bogdanović, 2005: 88-89).
In the following two works, the qualification of “utopianism” refers only to a couple of sentences in which the authors, in addition to a critical attitude towards the existing forms and practices of societies and economies, directly or indirectly express their attachment to the idea of a yet unrealised society or economy. Thus sociologist and political scientist Krištofić, in his analysis of innovative behaviour among business enterprises in Croatia, perceives the knowledge society first and foremost as an ideological category which “serves as a veil for covering the unrestrained market ideology”. “Assisted by promises of knowledge society supporters regarding knowledge as a common good available to all and the general prospects of unlimited development of society and the individual, and, in principle, freed from charges of exploitation... the capital can do what it always does: grab the profit” (Krištofić, 2005: 115). Matko Meštrović, on the other hand, states that “the new economy is a mix of neoliberal state policies and entrepreneurial myths” (Meštrović, 2004: 423). Moreover, in his opinion, an important ingredient is missing in the recipe for development which the developed countries are imposing (through the neoclassic development paradigm) upon the less developed ones (including Croatia): “the fact that the vast majority of developing countries have failed to find a path of dynamic economic growth needs specific consideration. The reforms are not translated into beneficial societal effects because of a missing link in the overall functioning of the economic and social system. The importance of participatory forms of governance and efforts to strengthen social integration is now evident” (Meštrović, 2004: 427). Namely, Meštrović postulates the development of such a form of social capital that will reject the form of society postulated by the neoclassic paradigm (and its under-socialised view of the individual), which is a society of autonomous and atomised agents interconnected through anonymous market relations. A truly new society presupposes a culturally and socially embedded individual.

**Conclusion**

Although the general public usually does not perceive the state as the main initiator of development changes, nor as the protector of employees in small or middle enterprises (the key sources of economic growth and employment) or of the unemployed among those made redundant in former state enterprises, the literature on transition published in recent years seems to confirm quite the opposite, that the key role is being, or should be, taken over by the state. Could it be then that neo-institutionalism is appearing in the form of neo-statism instead of neo-liberalism as the major paradigm? Indeed, almost all authors express the need for the state as the most agile institution of contemporary society. The state is expected to initiate the solution of problems in various areas, from the knowledge society to health care.
and retirement policies – and this is a crucial characteristic of all the analysed works in all three categories, including those (namely, traditionalist and utopian) which do not see a better future for Croatia in the European Union. Perhaps neo-statism is an exaggerated term, since the authors do not support the revival of the style of state from the period of socialism. However, the state is given a major role in the game played by agents of change, in which it participates together with business enterprises, markets, civil society, and science. On the other hand, calling upon the state as the first promoter of development changes is not unusual if one has in mind the fact that most of the works presented appeared within the framework of research projects financed by the state, i.e. the Ministry of Science, Education and Sport. Finally, and this does not exhaust the possible interpretations of “neo-statism”, researchers are, after all, existentially linked to the state, which protects science as its main source of knowledge, since the need for scientific research on the market (i.e. in the private sector) or in civil society (i.e. among non-governmental organisations) is small or nonexistent. All this does not necessarily mean that in the distant future the Croatian state will play the role researchers expect it to, and that, for example, it will not permit a further wave of privatisation in the fields of science, education, health care and social security.

The second characteristic of the works presented is the exuberance of modernism – whose model of change exists in Western European societies, with concepts ranging from the knowledge society to the European social model – in relation to the thinness of traditionalism and utopianism. Indeed, just like in the case of neo-liberalism, supporters of national autarchy or Marxist and similar ideas have almost disappeared from the pages of books and journals. In any case, their reputation and the quality of their arguments have deteriorated considerably. This picture is very different from the one in the 1980s, and earlier, when Marxist-oriented works prevailed in Croatian literature. It is also different from the one in the early 1990s, when many ar-

\(^9\) Naturally, the arguments of Marxism and of similar ideas have lost their appeal not only in Croatia, but worldwide. This has to do with the changing structure of political power in the former East, which indicates that social science or its (conformist) mainstream reflects the position of power, while very few people venture to go against it. This is why the popularity of Marxism in the former regime cannot be explained as much by the content of its ideas as by the fact that Marxism was a part of the ruling ideology. In the 1990s, when those in power shared this view and the privatisation policy was in full swing, there were also quite a few supporters of neoliberalism, i.e. of privatisation as a common cure for the economy. The current popularity of modernism and of the European Union in social sciences in Croatia is closely related to the government policy and its rather subdued nationalism, which considers Croatia's accession to the European Union as its greatest priority. And, as expected, a feature of neo-statism in the presented works of social scientist and economists reflects the current interest of the government in retaining control over different fields, from health to education and science, which are mostly not (yet?) privatised.
articles were imbued with the idea of the importance of the national, and with a vision of Croatia righteous, but misunderstood and isolated. Today, the vision prevails of a Croatia which should be able to synthesise liberal and social values, as presupposed by the (Western) European model of society.

Finally, the third characteristic of presented works, in close connection with the previous, is the growing confidence in the European Union, followed by a more reasonable outlook upon European reality. In contrast to the 1990s, when the image of Europe in a good part of Croatian literature was painted in historical colours, mostly romantic and Christian in content – in accordance with what Europe was once like, and what Croatia was like as a part of it (i.e. a part of its empires) – Europe is now, even more so in social sciences, presented in figures and other analytical categories. The European world currently resembles a huge space for the integration of markets, parliaments and other arenas in which Croatia has to learn to buy or sell, to use politically correct language, or to do a culturally interesting performance, in order to survive in it.

Let us conclude with a technical but not unimportant detail: the number of studies published in English in Croatian journals and magazines, and of books in English, has increased immensely. This indicates the need of Croatian scientists to increase the international communicative reach of their ideas, which also fits well into the prevalent modernist trend.

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